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check to substantiate a pupil's place of residence or parent's place of employment on the survey date.

- (2) A source check is a form provided—
- (i) To a parent's employer, on which the employer certifies as to the place of employment of a parent of a pupil claimed:
- (ii) To a housing official, on which the official certifies as to the residence of each pupil claimed; or
- (iii) To a tribal official, on which the official certifies as to the residence of each pupil claimed residing on Indian lands over which that tribal official has jurisdiction.

(Approved by the Office of Management and Budget under control number 1810–0036)

(Authority: 20 U.S.C. 7703 and 7706)

§ 222.36 What minimum number of federally connected children must a local educational agency have to receive a payment on behalf of those children under section 8003(b) and

- (a) Except as provided in paragraph (d) of this section, an LEA is eligible to receive a payment under section 8003(b) (basic support and learning opportunity threshold) and (e) (hold harmless) for a fiscal year only if the total number of its eligible federally connected children for whom it provided a free public education for the preceding fiscal year was—
- (1) At least 400 who were in average daily attendance (ADA); or
- (2) At least 3 percent of the total number of children in ADA.
- (b) Except as provided in paragraph (d) of this section, an applicant LEA is eligible to receive a payment under section 8003 for a fiscal year on behalf of federally connected children described in section 8003(a)(1)(F) or (G) only if the total number of those children for whom it provided a free public education for the preceding fiscal year was at least—
 - (1) 1,000 in ADA; or
- (2) 10 percent of the total number of children in ADA.
- (c) Children described in paragraph (b) of this section are counted for the purposes of paragraph (a) of this section only if the applicant LEA is eligi-

ble to receive a payment on behalf of those children under section 8003.

(d) This section does not apply to hold harmless payments under section 8003(e) for fiscal year 1995.

(Authority: 20 U.S.C. 7703(a)(3) and (b)(1)(B)) [60 FR 50778, Sept. 29, 1995, as amended at 62 FR 35415, July 1, 1997]

§ 222.37 How does the Secretary calculate the average daily attendance of federally connected children?

- (a) This section describes how the Secretary computes the ADA of federally connected children for each category in section 8003 to determine an applicant's payment.
- (b) If an LEA is in a State that collects actual ADA data for purposes of distributing State aid for education, the Secretary calculates the ADA of that LEA's federally connected children for the current fiscal year payment as follows:
- (1) Except as provided in paragraph (b)(3) of this section—
- (i) By dividing the ADA of all the LEA's children for the second preceding fiscal year by the LEA's total membership on its survey date for the second preceding fiscal year (or, in the case of an LEA that conducted two membership counts in the second preceding fiscal year, by the average of the LEA's total membership on the two survey dates); and
- (ii) By multiplying the figure determined in paragraph (b)(1)(i) of this section by the LEA's total membership of federally connected children in each subcategory described in section 8003 and claimed in the LEA's application for the current fiscal year payment (or, in the case of an LEA that conducts two membership counts, by the average of the LEA's total membership of federally connected children in each subcategory on the two survey dates).
- (2)(i) For purposes of this section, actual ADA means raw ADA data that have not been weighted or adjusted to reflect higher costs for specific types of students for purposes of distributing State aid for education.
- (ii) If an LEA provides a program of free public summer school, attendance data for the summer session are included in the LEA's ADA figure in accordance with State law or practice.